

UNITED STATES DISTRICT COURT
DISTRICT OF MAINE

**IN RE COMPACT DISC MINIMUM
ADVERTISED PRICE ANTITRUST
LITIGATION**

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MDL Docket No. 1361

(INCLUDING *Trowbridge, et al. v. Sony Music
Entm't Inc., et al.*, Civil Docket No.
01-125-P-H)

Retail purchasers of music compact discs (CDs), along with State Attorneys General, claim that music CD retailers and distributors illegally conspired over advertising policies so as to inflate CD retail prices. While the retailers and distributors deny wrongdoing, all parties except for music club purchasers entered into a settlement agreement consisting of \$67.375 million cash plus 5.6 million CDs to be distributed to the States, and injunctive relief. United States District Judge D. Brock Hornby approved the settlement and awarded attorney fees on July 9, 2003. In Re Compact Disc, 2003 U.S. Dist. LEXIS 12663, MDL Docket No. 1361 (D. Me.) (July 9, 2003). As of February 20, 2004, checks for \$13.86 were being mailed to music purchasers who filed valid claims, and the CDs soon will be distributed to libraries and other organizations. For more information, go to <http://www.musiccdsettlement.com>.

The July 9, 2003 approved settlement does not apply to the music club lawsuit, known as Trowbridge v. Sony Music Entm't, Inc., No. 00-6065 (S.D.N.Y.). In Trowbridge, music club members claim that music manufacturers and distributors conspired among themselves and with music clubs to support the prices of music club CDs. While the manufacturers, distributors and music clubs deny wrongdoing, the parties in Trowbridge entered a settlement agreement and then a later amended settlement agreement consisting of \$1.5 million to defray the costs of suit (including notice to the class members and attorney fees), plus

transferable vouchers for 75% discounts, including free shipping and handling, on one to three CDs, depending on the number of CDs previously purchased. On December 3, 2003, Judge Hornby approved the Amended Settlement. He deferred awarding attorney fees until there is information as to how many discount vouchers are exercised. For more information on how to receive a discount voucher, go to www.bmgmusic.com/settlement or www.columbiahouse.com (click on 'Class Action Information').

For more information, contact liaison counsel.

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